

CONDOMINIUM PUBLIC REPORT

Prepared &
Issued by:

Developer TITO CASTILLO and DANIELE CASTILLO
Business Address P.O. Box 1876, Kapaa, Hawaii 96746

Project Name (*): 4875 HAUAALA ROAD
Address: 4875 Hauaala Road, Kapaa, Hawaii 96746

Registration No. 5838

Effective date: July 2, 2007

Expiration date: March 26, 2008

Preparation of this Report:

This report has been prepared by the Developer pursuant to the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, as amended. This report is not valid unless the Hawaii Real Estate Commission has issued a registration number and effective date for the report.

This report has not been prepared or issued by the Real Estate Commission or any other government agency. Neither the Commission nor any other government agency has judged or approved the merits or value, if any, of the project or of purchasing an apartment in the project.

Buyers are encouraged to read this report carefully, and to seek professional advice before signing a sales contract for the purchase of an apartment in the project.

Expiration Date of Reports: Preliminary Public Reports and Final Public Reports automatically expire thirteen (13) months from the effective date unless a Supplementary Public Report is issued or unless the Commission issues an order, a copy of which is attached to this report, extending the effective date for the report.

Exception: The Real Estate Commission may issue an order, a copy of which shall be attached to this report, that the final public report for a two apartment condominium project shall have no expiration date.

Type of Report:

- ☐ **PRELIMINARY:**
(yellow) The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued by the developer when complete information is filed.
- ☐ **FINAL:**
(white) The developer has legally created a condominium and has filed complete information with the Commission.
☐ No prior reports have been issued.
☐ This report supersedes all prior public reports.
☐ This report must be read together with _____
- ☒ **SUPPLEMENTARY:**
(pink) This report updates information contained in the:
☐ Preliminary Public Report dated: _____
☒ Final Public Report dated: January 26, 2006
☐ Supplementary Public Report dated: _____
- And ☐ Supersedes all prior public reports.
☒ Must be read together with Final
☐ This report reactivates the _____
public report(s) which expired on _____

(*) Exactly as named in the Declaration

This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at 586-2643 to submit your request.

FORM: RECO-30 286/986/189/1190/892/0197/1098/0800/0203/0104/0107

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

[X] Required and attached to this report [] Not required - Disclosures covered in this report.
As Exhibit "G"

Summary of Changes from Earlier Public Reports:

This summary contains a general description of the changes, if any, made by the developer since the last public report was issued. It is not necessarily all inclusive. Prospective buyers should compare this public report with the earlier reports if they wish to know the specific changes that have been made.

[] No prior reports have been issued by the developer.

[X] Changes made are as follows:

Page 6 to show recording of first and second amendments to declaration, which reflect changes to the Project noted below.
Exhibit A to show Amended Condominium Map
Exhibit C to show the limited common element boundary changes
Exhibit E to show the limited common element boundary changes
Exhibit F to show the updated encumbrances
Exhibit G to show the limited common element boundary changes

SPECIAL NOTICE:

1. The purpose of this Supplementary Public Report is to give notice of a change in Unit limited common element sizes as the result of the request of the purchaser of Unit 1 of the Project, who desired a larger area than that designed by the Fee Owner and Developer. The Project Declaration and Map were amended in the second amendment to the Project Declaration to comply with the requests of the purchaser. The First Amendment to the Declaration corrected an error in the prior stated area of Unit 1, which is now irrelevant.
1. Issuance of an effective date for this Public Report does not constitute an approval of the project by the Real Estate Commission, or any other governmental agency, nor does it imply that all County codes, ordinances and subdivision requirements have been complied with.
2. This project does not involve the sale of individual subdivided lots. The land area beneath and immediately adjacent to each unit, as shown on the Amended Condominium Map, is designated as a limited common element for that unit and does not represent a legally subdivided lot. The dotted lines on the Amended Condominium Map merely represent the location of the limited common element assigned to each unit.
3. Facilities and improvements normally associated with County approved subdivisions, such as fire protection devices, County street lighting, electricity, upgraded water facilities, improved access for owner and emergency traffic, drainage facilities, etc., may not necessarily be provided for and services such as County street maintenance and trash collection will not be available for interior roads and driveways.

THE PROSPECTIVE PURCHASER IS CAUTIONED TO CAREFULLY REVIEW THE CONDOMINIUM DOCUMENTS REFERENCED IN THIS PUBLIC REPORT FOR FURTHER INFORMATION WITH REGARD TO THE FOREGOING.

II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS

A condominium is created by recording in the Bureau of Conveyances and/or filing with the Land Court a Declaration of Condominium Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners. The Condominium Property Act (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the project and the common elements, to each other, and to their respective apartments. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law.

A. **Declaration of Condominium Property Regime** contains a description of the land, buildings, apartments, common elements, limited common elements, common interests, and other information relating to the condominium project.

The Declaration for this condominium is:

<input type="checkbox"/>	Proposed				
<input checked="" type="checkbox"/>	Recorded	- Bureau of Conveyances:	Document No.		2005-195411
			Book	Page	
<input type="checkbox"/>	Filed	- Land Court:	Document No.		

The Declaration referred to above has been amended by the following instruments [state name of document, date and recording/filing information]:

First Amendment to Declaration of Condominium Property Regime dated January 10, 2006, recorded as Document No. 2006-011908; Second Amendment to Declaration of Condominium Property Regime dated May 26, 2007, recorded as Document No. 2007-096702.

B. **Condominium Map (File Plan)** shows the floor plan, elevation and layout of the condominium project. It also shows the floor plan, location, apartment number, and dimensions of each apartment.

The Condominium Map for this condominium project is:

<input type="checkbox"/>	Proposed				
<input checked="" type="checkbox"/>	Recorded	- Bureau of Conveyances	Condo Map No.		4081
<input type="checkbox"/>	Filed	- Land Court	Condo Map No.		

The Condominium Map has been amended by the following instruments [state name of document, date and recording/filing information]:

Second Amendment to Declaration of Condominium Property Regime dated May 26, 2007, recorded as Document No. 2007-096702.

C. **Bylaws of the Association of Apartment Owners** govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Apartment Owners is elected, the powers and duties of the Board, the manner in which meetings will be conducted, whether pets are prohibited or allowed and other matters which affect how the condominium project will be governed.

The Bylaws for this condominium are:

<input type="checkbox"/>	Proposed				
<input checked="" type="checkbox"/>	Recorded	- Bureau of Conveyances:	Document No.		2005-195412
			Book	Page	
<input type="checkbox"/>	Filed	- Land Court:	Document No.		

The Bylaws referred to above have been amended by the following instruments [state name of document, date and recording/filing information]:

2. Limited Common Elements: Limited Common Elements are those common elements which are reserved for the exclusive use of the owners of certain apartments.

☐ There are no limited common elements in this project.

☒ The limited common elements and the apartments which use them, as described in the Declaration, are:

☒ described in Exhibit E.

☐ as follows:

3. Common Interests: Each apartment will have an undivided fractional interests in all of the common elements. This interest is called the "common interests." It is used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium project. It may also be used for other purposes, including voting on matters requiring action by apartment owners. The common interests for the apartments in this project, as described in the Declaration, are:

☒ described in Exhibit C.

☐ as follows:

E. Encumbrances Against Title:

An encumbrance is a claim against or a liability on the property or a document affecting the title or use of the property. Encumbrances may have an adverse effect on the property on or your purchase and ownership of an apartment in the project.

Exhibit F describes the encumbrances against the title contained in the title report dated May 31, 2007 and issued by Old Republic Title & Escrow of Hawaii, Ltd.

2. Rights Under the Sales Contract: Before signing the sales contract, prospective buyers should ask to see and carefully review all the documents relating to the project. If these documents are not in final form, the buyer should ask to see the most recent draft. These include but are not limited to the:
- A) Condominium Public Reports issued by the developer which have been given an effective date by the Hawaii Real Estate Commission.
 - B) Declaration of Condominium Property Regime, as amended.
 - C) Bylaws of the Association of Apartment Owners, as amended.
 - D) House Rules, if any.
 - E) Condominium Map, as amended.
 - F) Escrow Agreement.
 - G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
 - H) Other _____

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer or through the developer's sales agent, if any. The Condominium Property Regime law (Chapter 514A, HRS) and the Administrative Rules (Chapter 107) are available online. Please refer to the following sites:


Website to access official copy of laws: www.capitol.hawaii.gov
Website to access unofficial copy of laws: www.hawaii.gov/dcca/hrs
Website to access rules: www.hawaii.gov/dcca/har

This Public Report is a part of Registration No. 5838 filed with the Real Estate Commission on October 31, 2005

Reproduction of Report. When reproduced, this report must be on:

[☐] YELLOW paper stock [☐] WHITE paper stock [☒] PINK paper stock

- D. The developer declares subject to the penalties set forth in Section 514A-49(b) that this project is in compliance with all county zoning and building ordinances and codes, and all other county permitting requirements applicable to the project, pursuant to Act 251 (SLH 2000) [Section 514A-1.6] (The developer is required to make this declaration for issuance of an effective date for a final public report.)
- E. The developer hereby certifies that all the information contained in this Report and the Exhibits attached to this Report and all documents to be furnished by the developer to buyers concerning the project have been reviewed by the developer and are, to the best of the developer's knowledge, information and belief, true, correct and complete.

<u>TITO CASTILLO and DANIELE CASTILLO</u>	
Printed Name of Developer	
	<u>26 May 2007</u>
	Date
<u>Daniele Castillo</u>	<u>26 May 2007</u>
	Date

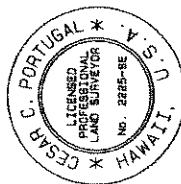
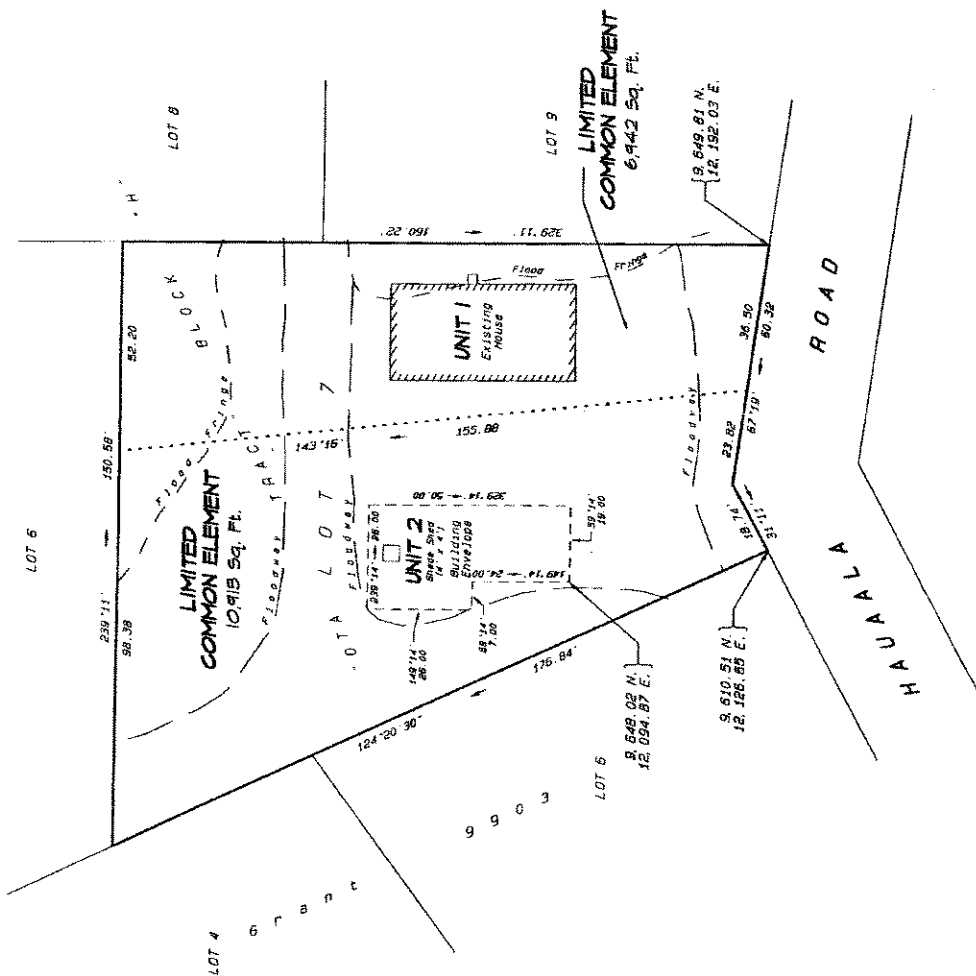
TITO CASTILLO and DANIELE CASTILLO, DEVELOPER
Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, COUNTY OF KAUAI

Planning Department, COUNTY OF KAUAI

***Must be signed for a: corporation by an officer; partnership or Limited Liability Partnership (LLP) by the general partner, Limited Liability Company (LLC) by the manager or member; and for an individual by the individual.**



THIS WORK WAS PREPARED BY ME
OR UNDER MY SUPERVISION

Cesar C. Portugal
LICENSED PROFESSIONAL LAND SURVEYOR
CERTIFICATE NO. 2285-BE
AUGUST 4, 2003
MAY 7, 2007 (REV.)

CONDOMINIUM MAP NO. 4081 AMENDED

"4075 HAUAAALA ROAD" Condominium
UNIT 1 & UNIT 2

Being Lot 7
Block "H" "Ota Tract"

Kapaa Homesteads, 4th Series
At Kapaa, Kauai, Hawaii

Owner: Tito & Daniele Castillo

NOTES:

1. This project does not involve the sale of individual subdivided lots. The dotted lines on the condominium map are for illustration purposes only. They represent either a limited common element or a common element.
2. Origin of azimuth and coordinates referred to Government Survey Triangulation Station "HONOU".

EXHIBIT "A"

EXHIBIT "C"

SCHEDULE OF APARTMENTS AND COMMON INTERESTS

Qty.	Unit No.	Area of Limited Common Element*	No. of Br./Bath	Appx. Net Living Area (Sq. Ft.)	Appx. Other Area (Sq. Ft.)	Percentage of Common Int.
1	1	6,942 sq. ft.	3 / 2	1,102	---	50%
		---	---	---	1,104 garage	---
		---	---	---	82 porch	---
1	2	10,913 sq. ft.	0 / 0	0	16 shade structure	50%

Pursuant to Section 16-107-5, Hawaii Administrative Rules, reference is hereby made to the method by which common interest has been computed. Units 1 and 2 will each burden the common elements equally. Therefore, the assessment of undivided interest both for common expense and for voting is 50% for each unit.

The common interest appurtenant to each unit shall be permanent. Subject to the zoning requirements and amendments of the Condominium Map and the Declaration of Condominium Property Regime, each unit owner may use the unit, alter or add to it in any manner deemed desirable, so long as it is permitted by law and the Declaration of Protective Covenants and House Rules, if any. If adjoining unit owners desire to alter and/or transfer portions of their respective units, they can do so by the filing of an amendment to the Condominium Map and the Declaration of Condominium Property Regime bearing their respective signatures.

*Note: Land areas referenced herein are not legally subdivided lots.

EXHIBIT "E"

COMMON ELEMENTS OF THE PROJECT

The common elements of the project are:

- (a) the land in fee simple;
- (b) all commonly used present or future ducts, electrical equipment, wiring and other central and appurtenant installations for common services, if any, including power, light, sewage, irrigation and telephone; and
- (c) any and all other future elements and facilities in common use or necessary to the Project.

LIMITED COMMON ELEMENTS OF THE PROJECT

Certain parts of the common elements, referred to as the "limited common elements," have been designated and set aside for the exclusive use of one or more units, and such unit(s) have appurtenant exclusive easements for the use of such limited common elements. The limited common elements set aside, reserved and deemed a limited common element appurtenant to and for the exclusive use of each respective unit is that certain land area upon and around which Units 1 and 2 are located, shown and designated on the Condominium Map and the table below.

<u>Unit Number</u>	<u>Area of Limited Common Element</u>
1	6,942 square feet
2	10,913 square feet

*Land areas as referenced herein are not legally subdivided lots.

EXHIBIT "F"

ENCUMBRANCES AGAINST TITLE

The following encumbrances apply to all Units:

1. All real property taxes that may be due and owing. For more information, contact the Director of Finance, County of Kauai.
2. Title to all minerals and metallic mines reserved to the State of Hawaii.
3. Mortgage to secure an indebtedness of the amount stated below and any other amounts payable under the terms thereof, with power of sale and assignment of rents.

Amount: \$383,200.00
Mortgagor: TITO CASTILLO AND DANIELE G. CASTILLO, husband and wife
Mortgagee: MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC., as a nominee for COUNTRYWIDE HOME LOANS, INC., a corporation organized and existing under the laws of New York, as their interest may appear
Dated: April 22, 2005
Recorded: May 10, 2005 in the Bureau of Conveyances, State of Hawaii, as Document No. 2005-092583

4. Mortgage to secure and indebtedness of the amount stated below and any other amounts payable under the terms thereof, with power of sale and assignment of rents.

Amount: \$47,900.00
Mortgagor: TITO CASTILLO AND DANIELE G. CASTILLO, husband and wife
Mortgagee: MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC., as a nominee for COUNTRYWIDE HOME LOANS, INC., as their interest may appear
Dated: May 2, 2005
Recorded: May 10, 2005 in the Bureau of Conveyances, State of Hawaii, as Document No. 2005-092584

5. Agreement for: ROAD WIDENING RESERVE

Executed By: TITO CASTILLO and DANIELE G. CASTILLO
And Between: COUNTY OF KAUAI PLANNING DEPARTMENT
Dated: May 16, 2005
Recorded: June 27, 2005 in the Bureau of Conveyances, State of Hawaii, as Document No. 2005-125858

6. Condominium Map No. 4081, filed in the Bureau of Conveyances, State of Hawaii.
7. Matters in an instrument that, among other things, contain or provide for easements, assessments, liens and their subordination; provisions relating to partition, restrictions on severability of component interest, covenants, conditions and restrictions, provision that no violation thereof and no enforcement of any lien provided for therein shall defeat or render invalid the lien of a mortgage or deed of trust made in good faith and for value, but omitting any covenants or restrictions if any, based upon race, color, religion, sex, handicap, familial status, or national origin unless and only to the extent that said covenant (a) is exempt under Title 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons

Entitled: Declaration of Condominium Property Regime

Recorded: September 27, 2005, in the Bureau of Conveyances, State of Hawaii, as Document No. 2005-195411

Declaration amended by First Amendment to Declaration of Condominium Property Regime of 4875 Hauaala Road dated January 10, 2006, recorded as Document No. 2006-011908; and amended by Second Amendment to Declaration of Condominium Property Regime dated May 30, 2007, recorded as Document No. 2007-096702.

8. Bylaws of the Association of Apartment Owners of 4875 Hauaala Road and Condominium Map No. 4081, recorded September 27, 2005, in the Bureau of Conveyances, State of Hawaii, as Document No. 2005-195412.

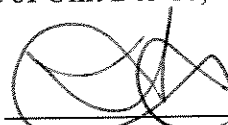
END OF EXHIBIT "F"

EXHIBIT "G"

AMENDED DISCLOSURE ABSTRACT

Pursuant to Hawaii Revised Statutes, Section 514(A)-61, the Developer of 4875 HAUUALA ROAD condominium makes the following disclosures:

1. The Developers of the project are TITO CASTILLO and DANIELE G. CASTILLO, P.O. Box 1876, Kapaa, Kauai, Hawaii 96746, telephone (808) 821-2530.
2. There are no maintenance fees for this project.
3. There are no warranties against defects of material and workmanship in individual apartments, common elements or exclusive use areas, and the purchaser buys his/her unit in an "as is" condition
4. All of the apartments of the project are to be used for permitted residential purposes only. No apartments shall be used for hotel or timeshare purposes. There will be no commercial use except those activities permitted by county ordinance.
5. The Real Estate Broker for the sales of the apartments in the Project is Blue Hawaii Properties, Inc., whose mailing address is P.O. Box 1876, Kapaa, Hawaii 96746 and the telephone number is (808) 823-8375.
6. Developer, Tito Castillo, is a licensed real estate broker (Hawaii License No. RB-17207) with Blue Hawaii Properties, Inc. and is intended to be the listing agent for the sale of the CPR units. Developer, Daniele G. Castillo, is a licensed real estate sales person (Hawaii License No. RS-53689) with Blue Hawaii Properties, Inc.
7. The Developer has not conducted a reserve study in accordance with §514A-83.6, HRS, and the replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended. There are no depreciable common elements in the Project.
8. The Developer discloses Common Interest has been divided equally as shown: Unit 1 – 50% and Unit 2 – 50%, reflecting the burden on common elements by the two units.
9. Pursuant to the Second Amendment to Declaration of Condominium Property Regime for this Project, dated May 26, 2007, recorded as Document No. 2007- 096702, the limited common element area of Unit 1 has been increased to 6,942 square feet, reducing the limited common element area of Unit 2 to 10,913 square feet.


TITO CASTILLO, Developer

30 May 2007
Date


DANIELE G. CASTILLO, Developer

30 May 2007
Date